



**SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN**  
**SPECIALIZED COMPANIES DIVISION**  
(NBFC DEPARTMENT)

No.SCD/AMCW/MUFAP/451/2011

November 11, 2011

**Mr. Shamshad Nabi**  
Chief Executive Officer  
Mutual Fund Association of Pakistan  
207, 209, 2<sup>nd</sup> Floor, Qassam Court  
Block-5, Clifton  
**Karachi**

**Subject: Opening and Maintaining Bank Accounts of a Collective Investment Scheme (CIS)**

Dear Sir,

This is to bring to the notice of MUFAP that in view of the request of an Asset Management Company (AMC), the Commission has decided to allow an AMC to open and maintain bank accounts on behalf of a CIS in banks that do not meet the rating criteria stipulated in Circular No. 7 of 2009 up to a maximum of 0.25% of net assets of the CIS. This decision has been taken to extend operational flexibility to the AMCs to facilitate investors for swift issuance and redemption of units. The AMC shall not place term deposits or any material amounts of money in these lower rated banks to earn higher returns. These accounts shall only be utilized to provide operational benefit to the investors.

You are advised to transmit this information to the member AMCs in the industry.

Yours truly,

  
**Vinod Sitani**  
(Joint Director)

Cc: Head of Trustee & Custodial Operations,  
CDC Pakistan

Chief Executive Officer,  
MCBFSL

